

Challenging Western Hegemony: BRICS and the New Economic World Order

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Abstract— The emergence of BRICS (Brazil, Russia, India, China, and South Africa) as a collective force represents a pivotal shift in the architecture of global economic governance, directly contesting the long-standing dominance of Western institutions and norms. This review article critically examines how BRICS, through its economic heft, institutional innovations such as the New Development Bank (NDB), and strategic expansion, is fostering a multipolar world order that prioritises South-South cooperation over unilateral Western influence. Drawing on a synthesis of recent scholarship, we trace the historical evolution of BRICS from an acronymic investment thesis to a geopolitical bloc, analyse its macroeconomic contributions amid global uncertainties, and interrogate the tensions inherent in de-dollarisation efforts and intra-group dynamics. While BRICS has surpassed the G7 in purchasing power parity-adjusted GDP, challenges such as internal asymmetries and external sanctions underscore the fragility of this ascent. Through comparative tables and analytical discourse, this piece argues that BRICS not only challenges Western hegemony but also redefines equity in international relations, though its success hinges on navigating geopolitical frictions. Ultimately, BRICS signals a democratised economic order in which emerging powers reclaim agency in shaping global futures.

Keywords— BRICS, Western hegemony, multipolarity, New Development Bank, de-dollarisation, global economic governance, South-South cooperation

I. INTRODUCTION

In an era defined by accelerating deglobalization and the unravelling of post-Cold War unipolarity, the BRICS consortium stands as a beacon of transformative potential, methodically eroding the edifice of Western economic supremacy. Coined in 2001 by Goldman Sachs economist Jim O'Neill as a shorthand for high-growth emerging markets Brazil, Russia, India, and China, the addition of South Africa in 2010 formalised BRICS as a diplomatic entity, evolving it into a platform for collective bargaining against the asymmetries of the Bretton Woods system [1]. This evolution reflects broader scholarly debates about the twilight of American-led hegemony, in which critics like Arrighi (2007) foresaw the cyclical rise of Eastern powers, but contemporary analyses underscore BRICS's agency in hastening this transition through pragmatic multilateralism [2]. The literature on BRICS is voluminous and multifaceted, spanning economic determinism to geopolitical realism, yet it consistently grapples with the tension between aspiration and achievement.

Early scholarship, such as Cooper (2016), framed BRICS as a "contested concept," highlighting its origins in neoliberal optimism rather than in ideological cohesion [3]. By the mid-2010s, as the group institutionalised through annual summits and the 2014 launch of the NDB, analysts such as Stuenkel (2015) argued that BRICS embodied "post-hegemonic global governance," challenging the IMF and World Bank's conditionalities that perpetuate dependency in the Global South [4]. This perspective gained traction amid the 2008 financial crisis, which exposed Western vulnerabilities; BRICS nations, less tethered to deregulated finance, weathered the storm with relative resilience, prompting calls for alternative liquidity mechanisms [5]. Recent works extend this critique: Mthembu (2020) dissects how BRICS's New Development Bank (NDB) operationalises "institutional balancing," financing infrastructure without the strings attached to Western loans, thereby fostering sovereignty in development trajectories [6].

Yet, the literature is not without contention. Sceptics, including Hopewell (2021), caution that BRICS remains a "paper tiger," hampered by divergent national interests, China's state capitalism clashing with India's liberal reforms, and external pressures, such as U.S. sanctions on Russia [7]. Empirical studies bolster this: A 2022 analysis by the Observer Research Foundation reveals that intra-BRICS trade accounts for a mere 15% of total commerce, underscoring integration deficits relative to the EU's 60% [8]. Conversely, optimists such as Vieira (2018) emphasise ideational power; BRICS's advocacy for WTO reforms and for equity in climate finance resonates with the Non-Aligned Movement's legacy, amplifying voices from the periphery [9]. The 2023 expansion welcoming Egypt, Ethiopia, Iran, Saudi Arabia, and the UAE has invigorated discourse, with scholars such as Cooper and Flemes (2024) positing it as a "geoeconomic pivot," potentially accounting for 45% of global GDP (PPP) and reshaping energy corridors [10].

This review synthesises these strands, critiquing BRICS not as a monolithic rival but as a dynamic, if uneven, counterweight. The post-2022 Ukraine conflict has sharpened these contours: Russia's pivot to BRICS markets has mitigated the bite of sanctions, while China's Belt and Road Initiative (BRI) synergies with NDB projects illustrate hybrid resilience [11]. Literature on de-dollarisation, such as Armijo and Roberts (2023), highlights BRICS's push for local-currency settlements, reducing USD exposure from 90% in 2010 to 52% by 2023, though scalability remains elusive [12]. Feminist and postcolonial lenses, per Prashad (2021), further enrich this: BRICS challenges not just economics but epistemic hegemony, centring indigenous knowledge in sustainable development [11].

Critically, the discourse reveals a paradox: BRICS's growth propels multipolarity, yet it risks replicating hierarchies, with China accounting for 70% of the group's GDP [13]. Quantitative reviews, such as those in the Journal of World Trade (2024), compare BRICS' FDI inflows (\$500 billion in 2023) with G7 outflows, signalling capital flow reversals [14]. As global debt surges—developing nations owe \$11 trillion, per UNCTAD (2024) BRICS's \$100 billion NDB corpus offers a lifeline, but scholars warn of "greenwashing" in energy transitions [15]. This introduction, exceeding traditional bounds, lays the groundwork for sectional analyses, urging a nuanced appraisal: BRICS does not merely challenge hegemony; it reimagines order as pluralistic, contingent on surmounting internal fissures and external encirclement. By weaving

historical, empirical, and theoretical threads, this review posits BRICS as the fulcrum of a nascent economic pluriverse in which equity supplants extraction.

II. THE GENESIS AND EVOLUTION OF BRICS

The inception of BRICS traces a narrative of serendipity fused with strategic foresight, transforming an analytical label into a vanguard of multipolar ambition. Born amid the 2001 Enron scandal and dot-com bust, O'Neill's report presciently identified these economies as engines of the 21st century, projecting they would eclipse G6 output by 2050 [1]. Yet the group's formalisation in 2009, sans the "S," underscored pragmatic diplomacy: Brazil hosted the inaugural summit, leveraging Lula da Silva's Global South advocacy to counter marginalisation within the G20 [16]. By 2011, South Africa's inclusion symbolised inclusivity, though critics like Abdenur (2014) noted it as tokenism, masking power asymmetries [16].

Evolutionarily, BRICS has morphed through phases: consolidation (2009-2014), institutionalisation (2014-2020), and expansionism (2021-present). The 2014 Fortaleza Summit birthed the NDB and Contingent Reserve Arrangement (CRA), emulating but subverting IMF functions—\$50 billion in seed capital, equally shared, sans veto powers [17]. Scholarship post-2020, amid COVID-19's inequities, lauds this resilience; BRICS vaccine diplomacy via COVAX alternatives distributed 1.5 billion doses to Africa, bypassing Western IP barriers [18]. Geopolitically, the 2022 Kazan Summit's expansion, adding five members and nine "partner countries" by 2025, amplifies its demographic heft to 3.6 billion souls, per IMF data [13].

Critically, this trajectory invites scrutiny: Is BRICS a genuine alternative or a Sino-centric facade? Duggan (2023) argues the former, citing harmonised positions on UNSC reform [19], while Petrov (2024) highlights fractures, as India's QUAD ties dilute anti-Western fervour [20]. Broadly, BRICS's evolution embodies Gramscian "passive revolution"—incremental shifts within capitalism, yet pregnant with rupture [21]. As global value chains fragment, BRICS's pivot to digital silk roads—such as China's 5G exports to Brazil—heralds techno-sovereignty, challenging U.S. tech dominance [22].

To contextualise membership dynamics, Table 1 compares original and expanded BRICS against aspirants, drawing on Carnegie Endowment metrics [10].

Table 1: Comparative Membership Evolution and Economic Weights in BRICS (2010-2024)

Metric	Original BRICS (2010)	Expanded BRICS (2024)	Key Aspirants (e.g., Indonesia, Turkey)	Reference
Number of Members	5	10	20+	[10]
Population Share (%)	42	46	Potential +15	[13]
GDP (PPP, Trillion USD)	11.5	55.2	+10 (if added)	[13]
Intra-Group Trade (%)	5	18	N/A	[8]

This table illustrates exponential scaling, yet underscores integration lags.

Economic Powerhouses: BRICS Contributions to Global Growth

BRICS's economic narrative is one of inexorable ascent, in which collective GDP trajectories outpace Western stagnation, fuelling debates about inevitable multipolarity. By 2023, BRICS commanded 32% of global GDP (PPP), surpassing the G7's 30%, a milestone IMF's Georgieva hailed as "history's turn" [13]. China's 18% share in isolation anchors this, but India's 7% surge—projected 6.8% growth in 2024 diversifies the engine [23]. Russia's resource pivot post-sanctions, with exports of 80% of oil to Asia, exemplifies adaptive resilience [24].

Analytically, this growth disrupts neoliberal orthodoxy: BRICS's state-led models—evident in Brazil's BNDES

infrastructure boom—prioritise inclusion over austerity, yielding poverty reductions from 25% to 12% in core members (2000-2020) [23]. Literature critiques this optimism; Cooper (2024) notes environmental costs, as unchecked urbanisation exacerbates emissions, with BRICS responsible for 40% of global CO₂ [25]. Yet green bonds via NDBs (\$5 billion to be issued by 2023) signal a course-correction, aligning with the Paris Accord's equity demands [26].

Trade dynamics further entrench this: Intra-BRICS commerce hit \$500 billion in 2023, up 30% YoY, dwarfing the G7's intra-share decline [27]. Critically, this fosters "friend-shoring," mitigating U.S.-China decoupling risks [28]. Table 2 juxtaposes growth metrics, per World Bank data [23].

Table 2: BRICS vs. G7 Real GDP Growth Rates (Annual Average, 2020-2024)

Country/Bloc	2020 (%)	2021 (%)	2022 (%)	2023 (%)	2024 (Proj.) (%)	Reference
BRICS (Avg.)	-2.5	6.8	3.2	4.5	4.2	[23]
G7 (Avg.)	-4.1	5.0	1.6	1.8	1.5	[23]
China	2.2	8.5	3.0	5.2	4.6	[23]
USA	-2.8	5.9	2.1	2.5	2.7	[23]

These figures evince BRICS's velocity, though volatility—Russia's 2022 contraction betrays vulnerabilities [13].

The New Development Bank and Beyond

At the BRICS institutional core lies the NDB, a \$100 billion counter-narrative to World Bank paternalism, disbursing \$32 billion for sustainable projects by 2024 [29]. Unlike IFIs' geopolitical lending, NDB's equal voting, without U.S. oversight, embodies equity, with 60% of financing for renewables [30]. Scholarship praises this: Chin (2024) terms it "de-risking development," with CRA's \$100 billion swaps stabilising currencies during 2022 volatility [30].

Critically, innovations extend to BRICS Pay and mBridge pilots, testing CBDC interoperability to erode SWIFT hegemony [31]. Yet, Petrov (2023) warns of scalability: NDB's AAA rating belies thin capitalisation, approving just 1% of the World Bank's volume [32]. Broadly, these mechanisms operationalise "global IR," per Acharya (2022), in which non-Western norms of Ubuntu in South African projects infuse governance [33].

Table 3 contrasts lending profiles [29, 34, 30].

Table 3: NDB vs. World Bank Lending Comparisons (2016-2024 Cumulative)

Institution	Total Approvals (Billion USD)	Green Projects (%)	Conditionality Level	Recipient Focus	Reference
NDB	32	85	Low	BRICS+	[29]
World Bank	1,200	45	High	Global South	[34]

NDB Focus Areas: Infrastructure (60%), Renewables (70%), Emphasis on Sovereignty and Equity [30].

This highlights NDB's niche potency.

Geopolitical Shifts: Challenging the Dollar Dominance and Western Institutions

BRICS's geopolitical thrust manifests in de-dollarisation, with bilateral trades in rupees-yuan surging 50% post-2022 [35]. This contests petrodollar primacy; Saudi Arabia's 2024-yuan oil sales signal fissures [36]. Literature frames

this as a "weaponised interdependence" reversal, per Farrell and Newman (2023), in which sanctions boomerang, boosting Eurasian corridors [28].

Critically, UNSC advocacy unites BRICS, vetoing Western resolutions on Palestine [37]. Yet, India's U.S. alignments temper radicalism [38]. Table 4 benchmarks currency shifts [39, 12].

Table 4: USD Share in BRICS Trade Settlements (2019-2024)

Year	BRICS Overall (%)	China-Russia (%)	India-Brazil (%)	G7 Comparison (%)	Reference
2019	85	90	75	92	[39]
2022	65	50	60	88	[39]
2024	52	30	45	85	[12]

Declines affirm momentum.

Hurdles on the Path to Multipolarity

BRICS's ascent is pockmarked by fissures: China's dominance breeds resentment, with India's 2023 border clashes straining ties [40]. External U.S. "derisking" tariffs on EVs exacerbate [41]. Scholarship, such as Duggan (2024), critiques "asymmetric interdependence," in which Russia relies on Chinese markets for 40% of its exports [40]. Internally, democratic deficits and authoritarianism in three members undermine normative appeal [42].

Broadly, these hurdles test the viability of multipolarity, as Hurrell (2022) argues, demanding "variable geometry" diplomacy [43].

BRICS in a Transformed World Order

Prospects hinge on the integration of 2025 partners, potentially unlocking \$1 trillion in trade [27]. AI and quantum collaborations could leapfrog Western lags [44]. Critically, success demands reconciling growth with governance to avoid "hegemony 2.0" [45].

III. CONCLUSION

The odyssey of BRICS, from an esoteric acronym to a colossus straddling half the world's population and

economy, encapsulates the inexorable march toward a polycentric global stage, where the monophonic chorus of Western dictate yields to a cacophony of equitable voices. This review has traversed the group's evolutionary contours, unearthing not just statistical triumphs such as eclipsing G7 GDP shares and pioneering institutionally agile financing but the profound philosophical rupture it embodies: a reclamation of agency for the once-marginalised, who now dictate terms in boardrooms from Shanghai to Johannesburg. The economic sinews of this challenge, woven through resilient growth amid pandemics and proxy wars, reveal a bloc undeterred by asymmetry, channelling statecraft into sustainable harbours that Western philanthropy too often withholds. Institutional ingenuity, epitomised by the NDB's veto-free ethos, stands as a testament to ingenuity born of necessity, bridging infrastructural chasms while sidestepping the ideological quicksand of conditionality that has long ensnared the South.

Yet, this ascent is no triumphal procession; it is a labyrinthine negotiation with shadows both self-cast and externally imposed. Internal dissonances, be they the gravitational pull of Chinese pre-eminence or the ideological eddies between liberal India and statist Russia,

remind us that unity is not homogeneity but a deliberate choreography of divergences, harmonised by shared grievances against a system that equates progress with subservience. Geopolitically, the de-dollarisation gambit, with its tendrils in energy swaps and digital ledgers, portends not mere financial tinkering but a seismic reconfiguration of power's arteries, diverting flows from Wall Street to emergent meridians of trust. Challenges, from sanction sieges to environmental reckonings, forge resilience, compelling BRICS to evolve beyond reactive defiance into proactive stewardship, envisioning trade pacts that embed ecological covenants and tech alliances that democratize innovation.

In gazing forward, BRICS emerges not as the architect of utopia but as its pragmatic draftsman, sketching blueprints for an order where sovereignty is not bartered for loans and development is not a euphemism for extraction. This transformed vista beckons a world unyoked from exceptionalist mantras, where the Global South's ingenuity illuminates universal pathways, and multipolarity blossoms not as chaos but as a chorus. The stakes are existential: succeed, and BRICS ushers an epoch of shared prosperity, where yesterday's peripheries become tomorrow's pivots; falter, and the ghosts of hegemony linger, diluted yet durable. Ultimately, this collective's trajectory illuminates a deeper truth—the arc of history bends not toward inevitability but toward those bold enough to seize the fulcrum, forging from fragmentation a mosaic of mutual flourishing. In this light, BRICS is less a challenge to the old guard than an invitation to all: to co-author a ledger where equity, not empire, tallies the gains.

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